

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Assessors and County Auditors
FROM: Brian E. Bailey, Commissioner *BEB*
RE: Eligibility for the Wind Power Device Deduction
DATE: May 20, 2011

Clarifying Restricted Eligibility for "Wind Power Device" Deduction

Senate Enrolled Act (SEA) 481-2011 amends IC 6-1.1-12-29, which defines the term "wind power device" for purposes of the wind power device deduction under IC 6-1.1-12-29 and -30. This amendment is effective retroactive to January 1, 2010.

The purpose of this amendment is to make clear that public utilities or other entities whose business is to generate electricity through wind power cannot claim the wind power device deduction.

A wind power device is defined as a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity. However, the General Assembly has now specifically excluded from that definition a device that is **owned or operated by a public utility (as defined by IC 8-1-2-1(a)) or another entity that provides electricity at wholesale or retail for consideration**, other than a person who participates in a net metering program offered by an electric utility.

This amendment is intended only to clarify the meaning of "wind power device" and not to change the General Assembly's intent regarding eligibility for the wind power device deduction. In other words, the General Assembly is saying that it has always considered public utilities and commercial wind power ventures ineligible to receive this deduction.

Questions regarding SEA 481-2011 may be directed to Staff Attorney Mike Duffy at 317-233-9219 or mduffy@dlgf.in.gov.